

PF51390/V3

**KENDALL** William Dennis

**PF51390/V3**

W  
406

KV 2/2781

**SEE ALSO LIST INSIDE COVER**

Serial No	Star Designation	Date	Serial No	Star Designation	Date	Serial No	Star Designation	Date
S. 960 Edn2								

S. 960 Edn2

PF51390/V3



rm 83

5/58 S30269/30478 Wt.26930-7426 20M 1/58 Gp.789 F. & C. Ltd.

R

MF

PF

51,390

VOLUME

3

HISTORICAL  
KENDALL

WILLIAM DENNIS

MF

20710

See Also

14 30.998 - HISPANO BRITIA (S.A.)

Officer  
or  
Serial No.

Section

Date

Date

Officer  
or  
Serial No.

Section

Date



\*PF51390/V3\*

PA

21 JUN 1962

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21 JUN 1962

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22 JUN 1962

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24 JUN 1962

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25 JUN 1962

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51,390

VOLUME

3



Register No.

Minute Sheet No.

141.

Trans. to PF. 126,588 B/C7 16/2/50  
 3.5.48. To Dutch Security requesting information about SMITS. 141a.

142.

Trans. to PF. 126,588 B/A7 16/2/50  
 25.5.48. From S.B. re arrival of SMITS. 142a.

143.

25.5.48. From S.I.S. (copy letter) requesting information concerning the  
 Anglo-Hungarian Trading Co. Ltd. 143a.

144.

25.5.48.

To S.I.S. in reply to 143.

Copy of minutes between C.2. and C.1.a. re the Directors  
 of the Anglo-Hungarian Trading Company.

C.1.a. (Major Badham).

I shall be grateful if you will vett the  
 Directors of the Anglo-Hungarian Trading Company.

C.2.  
1.6.48.

Signed E.M. Furnival Jones.

145.

C.2.

Attached are notes on the two directors of  
 Anglo-Hungarian Trading Co., Ltd., of whom we have  
 traces, John Edwin HAIRE and George HURST. The  
 sum total does not seem to amount to much.

We have nothing recorded against the third  
 director, George FRANK.

C.1.a.  
7.6.48.

*C.R. Major*  
C.R. Major.

7.6.48. C.1.A. note on George HURST.

145b.

146.

17.6.48. To S.I.S. in reply to 143a.

146a.



147.  
Trans. to PF. 126,588 B/R 16/2/50

~~22.6.48. From Special Branch London Airport re the arrival of J.M. SMITS, an associate of W.D. KENDALL. 147a~~

148.  
Trans. to PF. 126,588 B/R 16/2/50

~~6.7.48. From Dutch Security re SMITS giving further information about him. 148a~~

149.

S.L.B.

Please see letter from Dutch Security at 148a in reply to my request for information regarding Johannes Marinus SMITS (141a).

This report is hardly a recommendation but it does not provide any evidence of subversive activity or current arms trafficking.

I see that SMITS has mentioned Mc LELLAND and Co. Ltd. of North Audley Street several times on his passage through London Airport - see serials 130a, 137x and 140a.

B.1.d.  
9.7.48.

*D.M. Quin*  
D.M. Quin.

150.

16.7.48 To B.4.D for Company particulars of McLelland & Co.

150a

151.

20.7.48 From B.4.D re McLelland & Co.

151a

152.

30.7.48 From B.4.D with copy Company particulars of McLelland & Co.

152a

B.1.d., Mrs. Quin.

153.

I am afraid we cannot carry this enquiry further. You will see at 152a Company particulars of McLelland & Co., and you will see that we have no trace of any of the Directors of this Company.

S.L.B.  
7.8.48.

*B.A. Hill*  
B.A. Hill.



Register No. P.F. 51390/V.3.

Minute Sheet No. 2.

154.

*Trans to P.F. 126, SS 3 B/27 16/2/50*  
~~12.8.48 To Dutch Security re J.M. SMITS replying to 148a 154a~~

155

13.9.48. Extract from SIS report re Counter Intelligence G.B./Holland, 155a  
 mentioning Denis KENDALL.

156

6.10.48. Copy of minutes between B.1.a. and SLB re KENDALL. 156a

157.

31.1.49. re Denis KENDALL. 157a.

158

5.3.49. Extract from the Manchester Guardian re KENDALL. 158a

159

5.3.49. Press cutting from the "Daily Express" - KENDALL ordered to repay 159a

160.

24.3.49. Extract from S.B. report re MOSLEY's yacht mentioning KENDALL. 160a.

161.

13.10.49. From S.B. re the departure for Amsterdam of KENDALL, William. M.P. 161a.

162.

13.10.49. From S.B. re the return from Amsterdam of William KENDALL. M.P. 162a



163.

18.10.49. S.B. report re KENDALL leaving for Amsterdam. 163a.

164.

22.10.49. Further report from S.I.S. re KENDALL. 164a.

165.

25.10.49. S.B. report re arrival of KENDALL from Amsterdam. 165a.

166.

27.10.49. S.B. report re departure of KENDALL for Paris. 166a.

167

1.11.49. From S.B. re the departure of William D. KENDALL, for Holland. 167z

2.11.49. To S.I.S. re KENDALL. 167e

168.

11.1.50. From S.B. London Airport re William Dennis KENDALL's visit to Brussels. 168a.

169.

12.1.50. Translation of report from S.I.S. (original in P.F. 30998 HISPANO-SUIZA) 169a

170.

14.3.50. S.I.S. Report. 170a

171.

1.5.50. Copy of S.I.S. report on ammunition for the Argentine. 171a,

18.5.50. Extract from letter from Elke SCHRYVER to James KINROSS mentioning KENDALL. 171b

172.

12.7.50. S.L.B. note on William Denis KENDALL. 172a.

173.

24.1.51. Report from S.B. London Air Port. re William Denis KENDALL. 173a

18.1.52 Copy of C.2.a note for file 173b

29.2.52 Extract from C2A Note for file 173c



MINUTE SHEET

Reference.....

174.

Copy of Min. 202 on P.F. 30998C.2.a. NSF.

On the face of it the implications of the report at 198a are obviously extremely serious and I am sure that we ought to get - in official form - all the information we can about the story. If it seems reasonable to assume that the Russians obtained information about the HISPANO SUIZA modifications to the TAY, it does not necessarily follow that they obtained the information from HISPANO SUIZA. Still less does it follow that HISPANO SUIZA passed the information wittingly to the Russians. While I hold no brief for giving classified defence work to Continental companies, it may be that security would be better served in relation to this alleged leakage to the Russians by discussing the matter frankly with HISPANO SUIZA. That cannot be decided until we are more certain of our facts.

If HISPANO SUIZA ought to be excluded from classified work it must logically follow that the British Manufacture and Research Co. Ltd. should also be excluded as well as other associated companies of HISPANO SUIZA on the Continent.

I have placed a copy of this minute on P.F. 51390.

C.2.  
4.3.52.

E.M. FURNIVAL JONES.

175.

19.9.52.

Copy of S.I.S. Letter mentioning TAVARO.

175a

176

31.3.53.

Ext. from letter from C.C. Lincolnshire re K. COXHEAD ment. KENDALL.

176z.

9.4.53.

Copy of letter to Foreign Office re Kathleen COXHEAD ment. KENDALL

176a

177

29.10.53.

Extract from M.I.6. letter ment. KENDALL.

177a

(1630)Wt39541/1032  
1/51 805,000 JC&S  
Ltd. Gp736/209  
(REGIMENT)  
CODE 5-34-0

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ACT 1958. OCTOBER 2007.

[OVER]



S. Form 81/rev. 1.52.

**SECRET**  
EXTRACT.*Hand R5 177a*Extract for File No.: PF.51390 Name: KENDALLOriginal in File No.: \* PF.30998 Serial: 235a Vol: 3 Receipt Date: 29.10.53Original from: M.I.6 Under Ref: CX/42145/L/V1/R/4233 Dated: 27.10.53Extracted on: 10.11.53 by: PF Section: L.A.

• If the original is in the file of an individual include the name of the file owner

Activities of Messrs. HISPANO SUIZA

.....

4. The Secretary of Messrs. HISPANO SUIZA, Grantham, in company with the technical manager and Prince PONIATOWSKI, visited Messrs. HISPANO SUIZA, Geneva, during the week ended 10th October 1953. The first two of the above officials stated that the present rate of production of A.A. guns at Grantham is 60 per month. They attributed their firm's extremely low state of finances and of production during the early post-war years to the mismanagement of their director, Mr. KENDALL.

**SECRET***BSP/MS  
10/11/53*



CONFIDENTIAL & PERSONAL Copy for: G.T.D. Patterson, Esq.,  
British Embassy, Washington. 176a

✓ Copy on: PF51,390 KENDALL, W.D. ✓

Copy on: PF.78,074 COXHEAD, Ethelbert

9th April, 1953.

PF.704,841/B.1.E/RCS

QV 44/5

Dear Carey Foster,

Miss Kathleen Mary COXHEAD

Please refer to our letter of 21st March regarding the above.

We have now received a further report on Kathleen COXHEAD and her family. According to this report her father, Ethelbert COXHEAD, never showed any interest in Communism before the war; and his children are reported to have belonged to a right wing youth movement. During the war COXHEAD was employed by the British Manufacture and Research Company's gun factory at Grantham and it is thought probable that he came temporarily under the influence of a small but fervid group of Communists working in this factory. After the war the gun factory practically ceased production and COXHEAD left to obtain work as a glazier and plumber with a firm of builders in Grantham, where he remained until December, 1952. Whilst employed by this firm his whole attitude is said to have indicated a Conservative outlook. He is now employed as a labourer by another firm of contractors in Grantham.

There is no indication that Ethelbert COXHEAD's wife or any of his sons have ever shown the slightest sympathy with Communism or Communists.

As regards Kathleen COXHEAD, she also worked during the war for the British Manufacture and Research Company Ltd., and it seems possible that she may have come temporarily under the influence of the Communist group which attracted her father.

The British Manufacture and Research Company Ltd. was under the direction of William Denis KENDALL, former Independent M.P. for Grantham, and Kathleen COXHEAD is reported to be one of his girl friends. KENDALL is not of current security interest. From time to time he has associated, possibly for business purposes only, with certain persons prominent in the Fascist movement in this country. He has also come to our notice on several occasions in connection with dubious commercial transactions, and he is alleged to have taken part in recent years in the smuggling of arms and gold to India and Pakistan. There has never been any indication that he is interested in Communism. KENDALL is reported to have been in America for some months past.

We have not been able to find out exactly why Kathleen COXHEAD came home from America in September, 1951, nor what she did during the year she spent over here. It is reported that she spent the first few weeks and the last few weeks of her stay at home and her father is reported to have said in relation to the middle period that "she was having a look round the country". If Miss COXHEAD was associating with KENDALL during her stay in England it is unlikely that her family would have known, and we cannot count on finding out anything more about the relationship between this pair.

G.A. Carey Foster, Esq., C.M.G., D.F.C., A.F.C.,  
Foreign Office,  
S.W.1.

/We

CONFIDENTIAL & PERSONAL

BUEAT  
9.4.53



We do not think that the present significance of Kathleen COXHEAD's rather uncertain association with Communism eight years ago is now very great. On this score we have nothing to add to the assessment we gave you in February. On the other hand you may feel that her reported association with a man of KENDALL's type, although not strictly speaking a security matter, is rather undesirable.

I think you should know that we have also had an enquiry about Kathleen COXHEAD from M.I.11., as a result of a report that General Stratton has sent to the War Office. According to the account of this report which we have received from M.I.11., Kathleen COXHEAD was dismissed from her employment with the B.J.S.M. on the grounds that she was only graded "Confidential" and she was told that if she wished to obtain a higher security classification she should approach the security authorities and give them any additional information they required. We should be interested to know whether in fact Kathleen COXHEAD has made any such approach.

With regard to the last paragraph in the copy of Callender's letter attached to your letter of 16th March, I am afraid we could not agree to Miss COXHEAD being given information about her father's security record, in view of the delicate sources involved.

Yours sincerely,

*RCS*

R.C. Symonds.

RCS/AKNT



S. Form 81/rev. 1.52.

*Held RS*

EXTRACT.

*1762*

Extract for File No.: PF. 51,390. Name: KENDALL.

Original in File No.: PF. 704,841. COXHEAD. Serial: 19a. Vol.: 1 Receipt Date: 31.3.53.

Original from: C.C. Lincolnshire. Under Ref.: 26/02/11. Dated: 30.3.53.

Extracted on: 14.4.53. by: ML Section: R6.

Extract from letter from C.C. Lincolnshire re COXHEAD, Kathleen Mary,  
mentioning KENDALL, William Denis.

.....

Kathleen COXHEAD also worked during the last war for the British Manufacture and Research Company Ltd., which was under the direction of William Denis KENDALL, former M.P. for Grantham (Box 500 ref. PF.51,390/Y/SLB) and she is reputed to be one of his 'lights of love'. Mr. Kendall has been in America for some months past and I suppose it is possible that Kathleen COXHEAD'S movements may be related to his. If Miss COXHEAD was associating with KENDALL during her stay in England the circumstances can be expected to remain mysterious, so far as her family is concerned. I ask for instructions as to how far it is considered safe to go, from a security viewpoint, on this line of enquiry.

.....

• If the original is in the file of an individual include the name of the file owner

*✓*  
*NEW*  
*15.4.53*



S. Form 81/rev. 1.52.

## EXTRACT.

175A

Extract for File No.: PF.51390 Name: TAVARO

Original in File No.:\* PF.30998 - HISPANO SUIZA Serial: 210a Vol.: 3 Receipt Date: 19.9.52.

Original from: S.I.S. Report Under Ref.: E.I.L. VID/144 Dated: 16.9.

Extracted on: 27.10.52. by: P.McC. Section: R.6.

Copy of S.I.S. Report mentioning: TAVARO.

The following items of information received from a usually reliable and well placed source may be of interest to you.

1. Willi SCHMOCKER who has been with the commercial side of Messrs. TAVARO S.A., Geneva, since before the war and has been one of the leading figures in the lengthy TAVARO fuse negotiations with the Ordnance Board, London, has been axed by his firm whom he left on 31st July 1952.

2. Louis BIRKIGT, Managing Director of Hispano Suiza, Geneva, and his wife are staying with the Hon. Jack LEITH, Glenkuidie, Aberdeenshire, whence BIRKIGT visits the GRANTHAM factory from time to time. He is expected back in Geneva on 25th September.

Held R3Y

• If the original is in the file of an individual include the name of the file owner



PA. in PF. 51,390 KENDALL  
Original in SF. 53/8/19 (105) Vol. 6 ser. 562a

Reference Ext. Loose Minute

173c

NOTE

I met Mr. Elliott, Director and Chief Engineer of  
Rolls Royce Limited, at his request in London on  
29th February, 1952.

.....

7. I asked Elliott about the leakage of information to  
the Russians which enabled them to improve their Nene and  
Derwent engines so that they embodied improvements which  
we had incorporated in the Tay. Elliott said that after  
examining the captured parts of the Russian engines and  
considering the report made by Joseph Lucas, he had come  
to the conclusion that there had been no leakage and that  
the Russians had proceeded on normal lines of development.  
He was certain that in any case "Hispano Suiz" had  
received the Tay information much too late for them to  
have passed it to the Russians and for the Russians to  
have incorporated it in the captured engines.

Sgd. N.S. Paynter

C2A/NSP  
29.2.52

REGIMITE

(32)  
JC&SLtd  
Gp782/39  
Code 18-76

JMP/R.7.

20.6.62

✓



PA. in PF. 51,390 KENDALL

Original in PF. 30,998 HISPANO-SUIZ Vol. 2 ser. 198a

1736

PF 30998NOTE

I went to see Air Marshall Sir John Boothman - C.S.(A) Ministry of Supply with Mr. Gardner of Est. 4 on 17th January and at the end of our conversation C.S.(A) said that he had some information which would be of interest to M.I.5. I then understood him to say that an engine from a Russian fighter shot down in Korea had recently been brought back to Rolls Royce and that it had been found to incorporate a number of modifications to the Rolls Royce TAY engine. He recalled that the original TAY had been developed by Rolls Royce from the NENE engine of which a number were sold to Russia. The manufacturing rights of the TAY were sold by Rolls Royce to the Hispano Suiza Company and also to one of the American aero engine corporations. Both these concerns carried out further developments on the TAY. The developments which are fully known to us did not follow parallel lines. The engine now at Rolls Royce captured from the Russians incorporates the Hispano Suiza modifications.

C.S.(A) considers that the Russians could only have got this engine into production in the time available if they had had constant access to the developments incorporated by Hispano Suiza. /X

2. C.S.(A) said that this apparent link up between Hispano Suiza and the Russians is a very serious matter because the Government were intending to arm R.A.F. fighters with a gun developed by Hispano Suiza which is far better than any gun produced in this country. He said that the original design of the gun would have to be modified by Hispano Suiza to meet our requirements and that the modifications could only be carried out if Hispano Suiza were given full details of our fighters and the fighter tactics which we would adopt. C.S.(A) gave me to understand that at this present moment there was a team of six or seven Hispano Suiza engineers in this country who had received or who were about to receive the information regarding fighters and fighter tactics referred to above.

C22. a.

18.1.52.

JMP/R.7.

20.6.62

*[Signature]*  
15/3  
*[Signature]*  
F.G. Johnstone.

*[Signature]*  
C22. a.  
18.1.52



S.B. No. 5 (Flimsy).

LONDON AIRPORT.COPY**METROPOLITAN POLICE (Special Branch)**

SPECIAL REPORT.

ENCL

24 JAN 1951

TO

? BIC

SLB Rose

day of January,

194  
50

REF

PF. 51,390.

SUBJECT

W.D.

KENDALL.

X William Denis KENDALL, British, subject of  
Circulation Sheet No. 113 dated 11th September, 1947,  
was among passengers leaving this airport for New York  
at 7p.m. to-day.

KENDALL, who is thought to be travelling  
alone, said he would be away for about three weeks.

REFERENCE TO  
PAPERS.

Submitted.

Sergeant.

G. Jenkins P.C.

Wickinson  
for CHIEF SUPERINTENDENT.

m.1.5

M.P.-48-38127/10M]C78



Copy in P.F. 130818 Schryver  
at 21b 172a

P.F. 51390/Y

KENDALL, William Denis.

British, born Halifax 27.5.03.

Late M.P. for Grantham.

Managing Director of HISPANOSUIZA (England) Ltd., and

BRITISH MANUFACTURING & RESEARCH CO Ltd.,

(This Company is a subsidiary of the former,  
and is commonly referred to as BRITISH MARCO or  
simply MARCO).

Also formed companies in Grantham, including GRANTHAM PRODUCTIONS Ltd.,  
(of "Peoples Car" fame) and GRANTHAM TRADERS Ltd., In both of these  
companies he was at one time associated with Abdul KARIM, and  
Sheik Ali AHMED.

In August 1947 an informant alleged that KENDALL was mixed up  
with a project to smuggle gold out of Holland in his Yacht for the  
purpose of buying arms for the Maharajah of Nawanagar. Beyond the  
fact that the Yacht (TAO-TIEN) went to Holland there is no actual  
confirmation of this story, but it is believed to have been  
substantially true. The project itself may never have materialised.

In October 1947 KENDALL flew to Nawanagar, accompanied by  
Johanne Marinus SMITS (Dutch), Hans BISCHOFF and E.W. IMFELD (? spelling)  
allegedly in connection with gun-running, but this was not proved  
M/Y "TAO-TIEN" was again in Dutch waters in May 1948, and again in  
July 1949.

On the last occasion he is said to have contacted:

++ J.C. DUBURG.  
J. VOS.  
J.R. CARP  
J.A. MAST

Some of whom are said to be buyers (including buyers of arms for  
Pakistan).

KENDALL has been associated from time to time with various  
well known Fascists in the country. He is known to be of doubtful  
commercial morality, and during the war was involved in the Black Market  
and there is in fact little doubt that he is a currency smuggler.



We have traces of various of the persons mentioned above including J.C. DUBURG (L.185/111) and J.R. CARP (PF.48027), which show a history of arms trafficking dating back to at least 1939. The latter however is reported to have died in 1942, but it would seem probable that this report is inaccurate, and that the J.R. CARP reported on by S.I.S. is in fact the CARP of PF. 48027. In addition CARP was reported as a Dutch Quisling.

In Miss SCHRYVER's letters she has a lot to say about Mrs. MAST in connection with KENDALL. She may be the wife of J.A. MAST. She also refers to VOS and DUBURG as being Directors of "INVINEX" with whom KENDALL was in contact. This Company is stated by Miss SCHRYVER to be engaged in smuggling.

++ S.I.S. information. (see previous page)

S.L.B.  
12.7.50.



P.F. 51390 KENDALL

171b

Extract from letter from Elke SCHRYVER to James KINROSS  
dated 7th May, 1950, and forwarded by Information Research  
Department, Foreign Office.

Original filed in P.F. 130818 SCHRYVER under date 18.5.50.

.....  
.....

"Now as to the British people concerned, first of all there is Denis KENDALL, M.P. for Grantham in Lincolnshire, about whom I have also been enquiring through one of my trusted friends in that neighbourhood, as local gossip may be quite valuable. Denis KENDALL is the owner of a specially built diesel yacht, with a double bottomed hold for smuggling. With this yacht he came to Holland, probably last autumn, and, together with Abdul Karim, supposed to be charge d'affaires for the Pakistan Government, he tried to get a Dutch firm called "Invinex", (directors Vos and Duburg) to buy this yacht for arms smuggling purposes. The "Invinex" people did not want to buy and KENDALL returned with his yacht. While he was over here, he made a proposal to a Mrs. Mast, born Kamphorst, calling herself Kamphorst, to work together smuggling arms and gold into Pakistan and India. We have been told - but unable to check up on - that KENDALL is already involved in a case for illegal gold transactions, but we have no idea whether this case is being brought in Britain or India or Pakistan. We have also been told that KENDALL and Karim together are responsible for the imprisonment of Sheik Ali Ahmed from India because of smuggling arms and gold, but again, we are not certain of this and do not know where this Ali Ahmed is supposed to be imprisoned, the charge also including high treason, staged by KENDALL and Karim."

.....  
.....

SAB/Bow  
27/4/50



S. Form 81

## EXTRACT.

171a

Extract for File No.: PE 51390. Name: KENDALL.Original in File No.: SF 76/Argentina. Serial: 26a. Receipt Date: 4.5.50.Original from: S.I.S. report. Under Ref Dated: 19.4.50.Extracted on: 10.5.50. by PG. Section: R4.Copy of S.I.S. report re ammunition for Argentina.COUNTRY. ARGENTINE.SUBJECT. MILITARY/ECONOMIC.

REMARKS. Further to our of 9.3.50. and FO/ERD and JIB(IA) crits on same, we are informed that:-  
 "The order valued at 6-8 million Swiss Francs which Messrs HISPANO SUIZA, GENEVA, received some months ago from the Argentine and transferred to their GRANTHAM branch for execution, related to 20 mm A.A. ammunition including a proportion of the R.I.D. type."

SOURCE. Same as for report under reference.L 8/10  
11/5/50

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9171

Recd Pa in 11.51.45  
 Cop. 7 filed in SF 76 Argentine

1700

Secret.

DISTRIBUTION:

Serial No.

F.O./German Section,  
 F.O./E.R.D. Mr. Morland.  
 F.O./E.I.D.  
 J.I.B. 1A  
 Treasury.  
 Ministry of  
 B.O.T. (C.R. and T.)

Date: 9.3.50.

Originator's Date: 1.3.50.

Date of Information: 27.2.50.

M.I.5. D.P. Kennedy Esq

ENCL 2 pages

COUNTRY: ARGENTINE

4-1 4 MAR 1950  
 TO SLB-MRL 10/3

SUBJECT: Order for munitions from Messrs. HISPANO-SUIZA. REF SF 76/Argentine

200 NT. 4 RA 4500

REMARKS: Please refer to our

of 13.1.50.

1) The recently reported Argentine order for 6-8 million Swiss francs' worth of munitions was eventually switched over by Messrs HISPANO SUIZA, GENEVA, to the factory at GRANTHAM. This was done in order to keep the factory employed and also because it was desired to prepare a large part of the GENEVA plant for manufacturing the universal spindle, production of which was scheduled for June 1950. 2) The prototype of the universal spindle has not yet been perfected and SOURCE: it seems unlikely that production can begin at the scheduled time.

Well placed, whose reliability we have no reason to doubt.

4/5/50

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Original attached to  
dated 3/1/50 - receipt date 12/1/50, filed in  
P.F. 30998, 179a, HISPANO-SUIZA

report  
1691

Translation.

No.4620

Your ref : 695/692/6952  
16th November 1949.

29th November 1949.

FRA/CG

HISPANO SUIZA (Suisse) S.  
Geneva.

Sirs,

Re : Purveyor springs. pattern Nos.240444  
and 240445. Your order No.89335 of 20  
March 194(?)9).

We beg to draw your attention to the request in your letter of the above quoted reference to forward springs 240444 and 240445 without an export licence, and in my reply of 24th November I said that we would comply with your request as soon as the goods were received, without (obtaining) an export licence.

We have to inform you, however, that in order to avoid delay as regards the type of varnished aluminium which we propose using for your munitions contract, we prepared 3 shells and a sample of varnish to be sent in a little box to HSS Geneva. This box was sent to the post without an export licence or customs declaration and the postal authorities refused to accept the package.

This experience shows that it is impossible to send equipment out of the country without an export licence. An export licence must be obtained before we can complete the customs declaration, because we have to quote the number of the export licence in the customs declaration.

We realise that it will be difficult to get a permit for the springs if we state for what they are intended, because the Ministry of Supply, Arms Manufacturing Department, must approve the export licence. These springs are scarce and the Ministry is aware of this fact. We fear that there will be considerable delay if our request for a permit has to depend on their approval.

We therefore propose, with your agreement, and as soon as the goods are available, applying for an export licence and representing the springs as mechanical springs. Thus by avoiding an exact description, we shall avoid unnecessary delay in the matter.

(Signed) Ashworth.

VH.

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ORIGINAL DOCUMENT RETAINED  
IN DEPARTMENT UNDER SECTION  
3 (4) OF THE PUBLIC RECORDS  
ACT 1958. OCTOBER 2007.

*[Handwritten signature]*



S.B. No. 5 (Flimsy)

LONDON AIRPORT.

COPY

METROPOLITAN POLICE (Special Branch)

SPECIAL REPORT

10th day of January 19 50.

SUBJECT

William. D.

KENDALL.

REFERENCE TO  
PAPERS

X *see 0 & 11/11* X  
 William Dennis KENDALL.M.P., subject of  
 Port Circulation Sheet No. 113(1), dated 11th September, 1947,  
 left this airport for Brussels at 12-25.p.m. to-day.

He stated that he was going from Brussels  
 to Amsterdam and would return to this country on 19-1-50.

W.H. Merrill

P.C.

Submitted.

I. Taylor

Sergeant.

ENCL.

11 JAN 1950

TO

REF PF. 51390

R.3 please note

P. a. *Quigley*  
CHIEF SUPERINTENDENT.BIC  
10/1/50

12.1.50

M.P.-49-39394/15M



**SECRET**

1672

2nd November, 1949.

PF.51,390/B.1.a./H.G.

Dear

Please refer to your  
of 21st October, 1949.

A.D. KENDALL is not of current Security  
interest. He has, in the past, been in-  
volved in a number of dubious commercial  
transaction, but we have no record of his  
interest in arms traffic.

He is not known to have any particular  
political affiliations, although recently  
he has been reported to be on friendly terms  
with some members of MOSLEY's Union Movement.  
We do not, so far, attach any significance  
to these contacts.

Yours

*H.M. Gee*  
H.M. Gee.

*Ans. Recd  
3.11.49*

HMG/JNB.

**SECRET**

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ACT 1958. OCTOBER 2007



S.B. No. 5 (Flimsy)

LONDON AIRPORT  
**METROPOLITAN POLICE (Special Branch)** COPY 1672

SPECIAL REPORT

.....31st day of .....October.....1949.

SUBJECT.....

**KENDALL****Wm. Denis**REFERENCE TO  
PAPERS

X *See LV. 100 X*  
 William Denis KENDALL, M.P., subject of Circulation Sheet 113(1), dated 11th September, 1947, and previous London Airport reports, left for Amsterdam at 11 a.m. this day.

He was accompanied by Frederick Walter BASS, British, born 15th June, 1920, a publican.

They said that they intended to return tomorrow, 1st November.

Submitted

Sergeant

Constable

CHIEF SUPERINTENDENT

ENCL.....

1 NOV 1949

TO.....

REF.....

B.I.A.  
PFS 1390

M.P.-49-39394/15M



S.B. No. 5. (Flimsy).

NORTHOLT AIRFORT.

COPY

METROPOLITAN POLICE (Special Branch)

SPECIAL REPORT.

24th. day of October, 1949.

SUBJECT

The undermentioned person, believed to be identical with the subject of Port Circulation Sheet No. 113(1), left this Airport at 7pm. today, for Paris:-

W.D. KENDALL

X *See LU ZRR 27/10* X  
 William Denis KENDALL, British, born 27/5/03, who was travelling on British passport No. 746444 in which he is described as an 'Engineer'. He appeared to be unaccompanied and said he did not expect to be away for more than 2 weeks.

REFERENCE TO  
PAPERS.

*add*  
 P.C.

Submitted.

*[Signature]*  
 Sergeant.

ENCL.....

27 OCT 1949

TO..... *BIA* DirectREF..... *PF 51390*

*[Signature]*  
 CHIEF SUPERINTENDENT.

*Held R5**Y Box*

*Am 12500*  
*3rd 11-49*



S.B. No. 5 (Flimsy)

LONDON AIRPORT.COPYMETROPOLITAN POLICE (Special Branch)

165a

SPECIAL REPORT

19th day of October, 1949.

SUBJECT W.D.  
KENDALL.

X see W JAN 25/10 X  
 William Denis KENDALL, M.P., subject of  
 Circulation Sheet No. 113(1) dated 11th September, 1947,  
 arrived at this airport from Amsterdam at 10p.m. to-day.  
 He appeared to be travelling alone.

REFERENCE TO  
PAPERS

KENDALL is the subject of numerous reports  
 from this airport, the last being on the 18th inst.,  
 when he left for Amsterdam.

Submitted.

*L. Taylor*  
 Sergeant.

*G. Jenkins* P.C.

*Chapman*  
 CHIEF SUPERINTENDENT.

ENCL.....  
*SH* 25 OCT 1949  
 TO PF 51390  
 REF B.I.A.

*Hmc*  
 BIA 26.10.49.

*Am-12 Sec*  
*3.11.49*

M.P.-49-39394/15M



164a.

THE ORIGINAL DOCUMENT  
RETAINED IN DEPARTMENT  
UNDER SECTION 3(4) OF  
THE PUBLIC RECORDS  
ACT 1958. OCTOBER 2007

39



No. 4<sup>4</sup>51

4th October, 1949.

U.K./HOLLAND

C.E.

W.D. KENDALL, M.P.

Date of event: 3.7.49.

Date information obtained by source: 24.9.49.

William Dennis KENDALL has visited Holland once again this year, inter-alia (on 3rd July) at Amsterdam in the yacht Tao-Tien. During this visit he was wined and dined by a number of persons, who are known for using unscrupulous tactics in the financial field, viz:

J.C. DUBURG

J. VOS

Mr. J.R. GARP

J.A. MAST

Some of these gentlemen are purchasers for Pakistan, and buy everything from Portland cement to arms in Switzerland. Their principal is said to reside in London.

15



S.B. No. 5 (Flimsy)

LONDON AIRPORT.COPYMETROPOLITAN POLICE (Special Branch)

163a

SPECIAL REPORT

18th day of October, 1949.

SUBJECT

William Denis  
KENDALL.

Geo.D. TOOKE

J. WOODCOCK

R.H. MUSSON

REFERENCE TO  
PAPERS

PC 405/48/77

William Denis KENDALL, M.P., subject of Circulation Sheet 113(1) dated 11th September, 1947, and previous reports from this airport, left for Amsterdam at 4.30 p.m. to-day.

It was learned that the following passengers on the same aircraft were accompanying him :- George D. TOOKE, Joyce WOODCOCK, and Robert Henry MUSSON, born 20/6/86, all British subjects.

They said they expected to return to England on or about Friday next (21st).

*Waxing* P.C.

Submitted.

*I. Taylor*  
Sergeant.

*[Signature]*  
Chief Superintendent.

M.P.-49-39394/15M

*M. T. R. Sec*  
*3.11.49*



London Airport

S.B. No. 5 (Flimsy)

## METROPOLITAN POLICE (Special Branch)

COPY

SPECIAL REPORT

11th. day of October. 19<sup>49</sup>.

see LV Jan 13/10

SUBJECT

Wm. Denis  
KENDALL.

William Denis KENDALL, M.P., subject of Port  
Circulation Sheet No. 113(1), dated 11th. September, 1949,  
whose departure from this airport on 8th. October, 1949,  
was reported, returned from Amsterdam at 9.30pm. this  
day. He was travelling alone.

REFERENCE TO  
PAPERSM.D. Rodger  
Constable.

Submitted.

*I. Taylor*  
Sergeant.

*for* *Chapman*  
CHIEF SUPERINTENDENT.

ENCL

13 OCT 1949

TO

Direct

REF

PF 51390

M.P.-49-39394/15M



S.B. No. 5 (Flimsy)

LONDON AIRPORT.

COPY

METROPOLITAN POLICE (Special Branch) *1612.*

SPECIAL REPORT

ENCL.....

13 OCT 1949

*p.a. B.C.*

day of October, 1949.

TO.....

*Direct**Ref 57390*

REF.....

SUBJECT

William Denis  
KENDALL. *2*

William Denis KENDALL, M.P., subject of  
Circulation Sheet 113(1) dated 11th September, 1947,  
and previous reports from this airport, left for Amsterdam  
at 4.30 p.m. to-day.

*for 13/10  
see LV.*REFERENCE TO  
PAPERS

He was accompanied by Frederick Walter BASE,  
British, born 15th June, 1920, a publican.

They said they expected to return to England  
in a few days.

*W. Wiggins*, P.C.

Submitted.

*J. Taylor*

Sergeant.

*Ching*  
for Chief Superintendent.

M.P.-49-39394/15M



S. Form 81

EXTRACT.

KENDALL William Denis

Extract for File No. P.F. 51390 Name: KENDALL William Denis

Original in File No. L 283/79 Serial: 535a Receipt Date: 24.3.49

Original from S.B. report Under Ref. 405/48/77 Dated: 22.3.49

Extracted on 4.4.49 by IAT Section: R4

Extract from S.B. report re MOSLEY'S yacht 'Dedantre' mentioning KENDALL.

The following information has been received:-

On Friday, 18th March, 1949 at 5.40. pm. Sir Oswald MOSLEY'S motor yacht 'Dedantre' was seen to approach Westminster pier, and stop alongside the motor launch 'Tao-Tien' owned by Mr William Denis KENDALL (PF405/48/77) M.P. for Grantham, Lincs.

At the wheel of the 'Dedantre' was Richard John Alexander HAMER (PF 401/41/178) who was seen to enter into conversation with Mr KENDALL. At approximately 5.50 pm. the 'Dedantre' moved away from the Westminster pier and moored at the L.P.A. pier Charing Cross. It remained there until 9.30. am. Sunday 20th March, 1949 when it left for Burnham-on-Crouch, Essex. HAMER remained in London and took part in the Union Movement march in East London on Sunday evening.

DEW  
2.4.49



FROM THE PRESS SECTION.

Daily Express.

Date 5 3 49

159

# Kendall ordered to repay —Mrs. Van der Elst drives him from court

Express Staff Reporter

**M**R. W. D. KENDALL, M.P. (Ind., Grantham), drove away with Mrs. Violet Van der Elst in her Rolls Royce yesterday after he was ordered to repay £15,000 said to have been handed over by a lady in white gloves outside Grosvenor House.

Mr. Justice Slade decided that the money was a loan and not a gift from Mr. William G. M. Worrall, a member of Lloyd's and a former Welsh Guards officer.

Judgment was entered for Mr. Worrall, with costs (estimated at £3,000 for the five days).

For 20 minutes Mrs. Van der Elst—in black coat and skirt and big black hat—talked with Mr. Kendall and counsel in the court.

Mr. Kendall said: "I have not definitely decided to appeal. Everything is a bit in the air."

Mrs. Van der Elst said at her Kingston-on-Thames home last night: "Mr. Kendall will be in difficulties about this money. He would not accept help from me—not from any woman. He is very proud."

The judge said this about the people in the case:—

## Mr. Worrall

HE was extremely careful and fair-minded.

HE endeavoured to say nothing but what he honestly believed to be the truth.

HE was asked time and again searching questions which were very distasteful to answer. He never shirked them...

HE gave straight answers without regard to the possible effect on his case.

HE was obviously a man of culture, not the sort to attempt to play some sort of confidence trick.

HE is a gentleman, whatever his unusual political views.

## Mr. Kendall

HE, too, endeavoured to say nothing but what he believed to be true.

HE had no intention of misleading the court.

HE honestly believed that the £15,000 was like "manna from Heaven" to do what he liked with.

HE had personally benefited, though he had not misapplied the £15,000.

## Mr. W. J. Brown

A number of people had been mentioned in the case, none in circumstances of any kind which brought discredit upon any of them.

Mr. Brown's sole function was

to introduce Mr. Kendall and Mr. Worrall.

Counsel for Mr. Brown said that he did nothing more than write a formal letter of introduction.

The mention of a new political party and any part he was to play had come as a complete surprise.

## The summing up

The judge thought that the money was paid by Mr. Worrall to Mr. Kendall for a specific purpose (to save the "people's car" project).

"I think it is almost common ground in this case now that the £15,000 was intended to be a free gift to the creditors."

"I am certain that Mr. Worrall had no such intention of making a free gift to Mr. Kendall."

He had no hesitation in preferring the recollection of Mr. Worrall to that of Mr. Kendall.

The use of the money for other companies in which Mr. Kendall was interested for a period of two or three months was only consented to by Mr. Worrall as a loan.

It was not suggested that Mr. Kendall had misapplied the £15,000, but he had personally benefited.

Half the money was given to a company in which Mr. Kendall held more than 90 per cent. of the shares.

Secondly, the company's overdraft had been paid off, releasing Mr. Kendall from his personal guarantee.

When Mr. Rodger Winn, for Mr. Worrall, asked for interest from March 15, 1947, the judge said in the circumstances he had some sympathy with Mr. Kendall. He suggested that Mr. Winn ought not to press the claim. The interest claim was dropped.

2as/R3  
12/3/49



FROM THE PRESS SECTION.

Bic  
(Mr. Atkinson)

Manchester Guardian.

Date 5. 3. 49

158a

## £15,000 NOT A FREE GIFT TO M.P.

## Judge Decides It was Intended for Car Company's Creditors

Mr. Justice Slade, in the King's Bench Division yesterday, gave judgment with costs against Mr. W. D. Kendall, M.P., on the claim for the return of £15,000 by Mr. W. G. M. Worrall, of Avon Carron, Warwickshire.

He found that the money was a payment for a specific purchase—namely, a gift to the creditors of the Grantham Production Company, which was concerned with the "People's car,"—and that when the creditors decided on a winding-up the gift automatically failed.

Giving judgment, Mr. Justice Slade said it was agreed that on or about November 21, 1946, a sum of £15,000 was paid by Mr. Worrall to Mr. Kendall. Before that date the parties were strangers to each other, and yet the position had crystallised before midnight on November 24. At that time Mr. Worrall was fired with enthusiasm for a new political project which he had in mind—namely, to establish the "return of the Whig party." He appeared to be prepared to push that party, which he honestly believed was in the best interests of the country, by all legitimate means. No doubt he talked with undue optimism of what he was hoping to do to get the new project into being, but he was somewhat melodramatic about it. He was, at any rate, fired with the idea of being able to raise large sums of money from influential people to assist in launching the campaign.

## MR. KENDALL'S SCEPTICISM

Having listened to Mr. Worrall in the box, he was satisfied that he endeavoured to say nothing but what he honestly believed to be the truth, and he would say the same thing about Mr. Kendall. Time and time again Mr. Worrall was asked searching questions which were distasteful to answer, but he never shirked them, except to "whittle down" two "unedifying documents." He gave straight answers without regard to the possible effect on his case.

When Mr. Kendall saw Mr. Worrall at Claridge's he undoubtedly was highly sceptical about the proposition Mr. Worrall had put to him, and but for the fact that the latter was obviously a man of culture and not the sort to attempt to play some sort of confidence trick Mr. Kendall would have been even more sceptical. It would not tend to be allayed by the almost melodramatic air of secrecy accompanying the proposals. He could understand Mr. Kendall's continued scepticism, and how pleasantly he must have been surprised, when, after some misgiving, he sent his chauffeur to meet the lady with white gloves, and received not merely a cheque, but a banker's draft, which was as good as having 15,000 banknotes in his hand.

In the light of subsequent events, said the judge, he attached very little importance to the legal effect of what happened at that interview. "I do not think the legal effect of the payment arranged that

evening and completed the next day was either a loan or an unconditional or a conditional gift. I think it was a payment of money by Mr. Worrall to Mr. Kendall for a specific purpose. I am satisfied that had that money been applied by Mr. Kendall for the purpose for which it was loaned to him he would have discharged his duty to Mr. Worrall, and Mr. Worrall could not have recovered it from him as money lent."

The words "free gift" had been used over and over again because that was the way the parties talked. It was almost common ground that the £15,000 was intended to be a free gift to the creditors whether they were entitled to accept it or not. When the creditors' meeting decided on a voluntary winding-up the purpose of the £15,000 as a gift to the creditors automatically failed.

He had no hesitation, he added, in preferring the recollection of Mr. Worrall to that of Mr. Kendall. He was also satisfied that Mr. Kendall had no intention of misleading the court. Mr. Kendall at the time was undergoing a period of great strain and worry. This transaction must have come like "manna from heaven," and he honestly believed that the £15,000 became his to do what he liked with.

## MONEY NOT MISAPPLIED

"I am satisfied that Mr. Worrall—who, I think, is a gentleman whatever his unusual political views, and I don't mean that disparagingly—felt he had done his best but had let Mr. Kendall down because he had been unable to find additional money, and that he felt under some obligation because of that. When Mr. Kendall suggested that there were other companies in which he was interested for which the money could be used, Mr. Worrall consented to the use of the money for that purpose for a period of two or three months. I am satisfied, whether the word 'lend' or actually 'use' was used in the transaction, it was in fact a loan, and there was an implied obligation in law upon Mr. Kendall to repay that money to Mr. Worrall."

It was not suggested that Mr. Kendall had misapplied the £15,000, but in fact he had personally benefited. Half the money was given to a company in which he held more than 90 per cent of the shares, and secondly, the company's overdraft had been paid off, releasing Mr. Kendall from his personal guarantee. He held that the £15,000 was recoverable as a loan, and gave judgment for Mr. Worrall for the amount claimed.

Mr. Rodger Winn asked for interest from March 15, 1947, but the Judge intimated that he had some sympathy with Mr. Kendall and suggested that Mr. Winn ought not to press the claim. On the interest claim being dropped, judgment for Mr. Worrall was entered, with costs.

Mr. Seth Smith, on behalf of Mr. W. J. Brown, M.P., said he wished to point out that Mr. Brown did nothing more than write a formal letter of introduction. The mention of a new political party and any part Mr. Brown was to play had come as a complete surprise to him.

The Judge said that no one referred to in the action had been mentioned in circumstances involving the slightest discredit.

209/25  
12.2.49



SECRET

157a

Copy for PF.51390 Y. (KENDALL)

31st January, 1949.

SP.411/Holland/Bla/HMG

Please refer to your \_\_\_\_\_ of 11th  
September, 1948. and to the telephone conversation  
between \_\_\_\_\_ and Miss Bagot of 26th January, 1949.

The only person listed in the report attached to  
your letter of whom we have traces is William Denis  
KENDALL who is identical with Denis KENDALL, Independent  
M.P. for Grantham. The "Tao Tien" had already  
previously been reported to us as engaged in smuggling  
gold from Holland and it may well be that this was the  
object of the trip.

Yours sincerely,

*HMG*  
H. L. Lee.

HMG/PSP

*P*  
BIN/24  
2/2/49

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Copy of Minutes Number 305 and 306, in S.F.411/Holland, Communist Activities in - . For filing in P.F.51,390, KENDALL.

136a

305.

S.L.B. Mr Hill.

I understand that you have been taking an interest in the affairs of Mr W.D.KENDALL, and I think you should see 301a. As look-ups have produced no likely Communist Traces, I think we may assume that the story of the agent and the M.P. is in some way connected with KENDALL.

B.1.a.  
29.9.48.

H.M.Gee.

306.

B.1.a.

I have read the report at 301a. I think that there is no doubt that the M.P. referred to in para.3 of the report is Denis KENDALL, M.P. The "Tao Tien" has already been reported as being engaged on smuggling gold from Holland, and it may well be that this was the object of the Trip.

S.L.B.  
6.10.48.

B.A.Hill.

205  
1/12/48



S. Form 81/P.G./5000/10.48.

Held R 5  
A  
EXTRACT.

Extract for File No.: P.F. 51390. Y Box. Name: KENDALL, W.D.  
 Original in File No.: S.F. 411/Holland. Serial: 301a. Receipt Date: 13.9.48.  
 Original from: \_\_\_\_\_ Under Ref. \_\_\_\_\_ Dated: 23.8.48.  
 Extracted on: 29.10.48. by: MLM/R.4. Section: \_\_\_\_\_

Extract from Report from S.I.S. headed " Great Britain/Holland Counter Intelligence ". Communist Member of crew of British Ship! Mentioning William Denis KENDALL.

1. The British Motor Cruiser "Tao Tien" of Lowestoft, official number 166707, berthed at the Hague on the 7th of May 1948 for about three days.
2. Members of the crew of this vessel contacted a man named Kasakof who is known as a Communist, in a cafe at the Hague.
3. A conversation was overheard in which one of the crew of the "Tao Tien" called himself an "agent" of the leader of his party, who was described as a member of the House of Commons. Description of the alleged MP:- Height about 1 m75, heavily built, thick greyish hair cut short, red face, big eyebrows, one gold tooth in right lower jaw, about fifty years of age. Description of the agent:- Height about 1 m.75, wrinkled face and neck, thin grey hair, bald at the back of the head.
4. According to the receiver of the dock-dues, the following person -el comprise the crew and others proceeding on a cruise to Holland in the above mentioned vessel:-

-----  
 KENDALL, William Denis, age-45. Capacity.- Chief engineer.  
 Brusa Betton(?) Lane, Grantham.

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 3 (4) OF THE PUBLIC RECORDS  
 ACT 1958. OCTOBER 2007



NAME OF COMPANY: **MACLELLAND & CO LTD**~~PUBLIC~~ PRIVATE  
152ASerial: **416454**Date of Registration: **2nd August 1946**Registered Office: **110, New Bond Street, London, W.1.**

Secretary:

Nominal Capital: **£2,000 divided into £1 shares.**Subsequent Capital changes: **Increased on 11th August 1947 to £3,000 by the creation of a further 1,000 shares of £1 each.**Objects: **To carry on business as importers, exporters, buyers and sellers of merchandise of all descriptions; job stock buyers and dealers, shipowners, cold storage proprietors, wharfingers, warehousemen, farmers, graziers, builders, engineers, woodworkers manufacturing chemists etc.**Latest Return of Directors dated: **8th September 1947**

Name	Nationality	Address and Occupation
GRAY Stanley George Clelland	British	94, Crown Woods Way, S.E.9.
LEVY Alexander Louis	British	20, Oakcroft Road, S.E.13.
LEVY Cyril	British	32, Fernside Avenue, Mill Hill, Middlesex. A director of ASHLEY CERES (WHOLESALE) LTD.

[P.T.O.]




Latest Return of Stock/Share-holders dated: 9th October 1946

Name	Address and Occupation	Holding
GRAY S. G. C.	as before	999 shares
LEVY A. L.	as before	1,999 "
CORK Leslie	20, Copthall Avenue, E. C. Solicitor	1 share
SMITH Frederick T.	20, Copthall Avenue, E. C. Solicitor	1 "
TOTAL taken up:-		3,000 shares

Remarks :

Assistant: C. S.

Date: 28.10.47

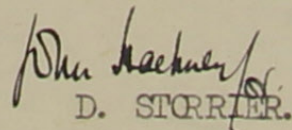
Reference: 447(1947)  
397 (1948)Checked: 

To: S. L. B. (Mr B. A. Hill)

From: B. A. D.

Your Ref: PF. 51390 of 16.7.48.

Signed:

  
D. STORRIER.

Date: 30.7.48.



REGISTRY ACTION SLIP.Registry.**CARDING.**

(a) Card names marked (blue **X**) at  
serial.....

(b) Note new identification particulars  
● of.....at serial.....

.....

.....

MAKE FILE FOR :.....

.....

EXTRACT and/or OTHER INSTRUCTIONS:

Please look-up and connect  
.....  
traces for the names marked  
.....  
in blue on serial 152a.....

.....

.....

.....

.....

(Continue overleaf if necessary)

\* Officer's Signature.....

B. A. Hill.

Section.....S.L.B.....Date.....3.8.48.....

\* To be signed personally by the responsible Officer.



152a  
65  
30-2

S.L.B. (Mr B.A. Hill)

---

MACLELLAND & CO LTD.

Further to our Minute  
397 dated 20.7.48, and as spoken,  
herewith a copy of the report on  
the above company originally sent  
to B.4.E. (Mr Guy Poston) on  
28th October 1947.

B.4.D.  
30.7.48.  
397/2.

*John Heather*  
D. STORRIER.

*Subman*  
3.8.48



172  
151a

S.L.B. (Mr B.A. Hill)

.....

MACLELLAND & CO LTD.

With reference to your Minute PF.51390 dated 16.7.48, Somerset House particulars of the above-named Company were forwarded under cover of our memorandum No.447 on 28.10.47, to B.4.E. (Mr Guy Poston).

It is confirmed that since that date no additional Returns have been added to the Company's file, and there is no change to report.

*John Mackenzie*  
*for*

D. STORRIER.

B.4.D.  
20.7.48.  
397.

*Sub/Min*  
*3.8.48*



B. 4. D.

150a

I should be grateful if you could let me have the usual  
Company particulars concerning McLelland & Co. Ltd., 8-10  
North Audley Street.

S. L. B.  
16.7.48.

B. A. Hill

B. A. Hill.

✓  
S. B. / mch  
16.7.48



**SECRET**From: Lt.Col. E.M. Furnival Jones.Copies: P.F.406,980  
P.F. 51390✓

196a

8656B/C.2

17th June, 1948.

Dear

You wrote to me on 20th May to ask whether in our opinion it would be advisable for you to approach the Anglo-Hungarian Trading Co. Ltd. for C.P.R. purposes. I am sorry to have been so long answering your enquiry, but the question is not an easy one to answer and I thought it advisable to make fairly extensive enquiries.

The Company was registered on 3rd June 1946, and a return of directors dated May of this year gives their names as:-

HAIRE John Edwin	-	3, Cheyne Court, Chelsea, S.W.3. Member of Parliament.
FRANK George	-	3, Blenheim Road, St. John's Wood, N.W.8. B.B.C. Announcer.
HURST George	-	73, Apsley House, Finchley Road, N.W.8. Paper exporter.

We have records of all three of these gentlemen which may be briefly summarised as follows:-

We have some slender information to the effect that HAIRE is in constant touch with Hungarian Communists and he is also reported to be Vice President of a pro-Communist organisation named the League for Democracy in Greece. He is a director of the Pallas Gallery Ltd., of Albemarle Street, the other directors including a Hungarian Communist named Andreas REVAI. I should emphasise that there is no evidence that HAIRE himself is a Communist. As he is a member of Parliament I must ask that this information about him should be treated as highly confidential.

George FRANK, though now a British subject, is believed to be of Hungarian birth. It is known that in the middle of April of this year he was on friendly terms with James EROS, temporarily Hungarian Charge d'Affaires in London. EROS, whose normal appointment is Counsellor of the Hungarian Legation in Paris, is a Communist and has indeed been reported to be an Intelligence representative of the Communist Party.

George HURST came under some suspicion in May 1941 because of an indiscreet letter to the Dublin branch of Crosse and Blackwell in connection with an enquiry for articles of Food Stuff. He was a buyer at the time for British Manufacture and Research Company, Grantham. (This firm was manufacturing Machine Guns for aircraft). His letter gave unnecessary details to the effect that they were engaged on priority work for Fighter aircraft and the numbers and hours per week worked. Apart from this he has not come to our notice.

I do not know that it can be said that this information adds up to a great deal, but there is undoubtedly a flavour about the whole undertaking which if I were in your position would make me chary of approaching the Company.

Our vetting section receives a number of enquiries from S.I.S. about officials of companies in the U.K. which we suppose rightly or wrongly to originate from you. You will remember that at a meeting here

some/

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some months ago it was agreed that your requests for vetting would be referred to me to add on anything useful which we had derived from our contacts with industry. It would be helpful if some simple machinery could be devised for ensuring that we do pick out the cases in which we are interested, and I should be grateful if you would have a word with Major Badham here, who deals with the vetting end of such applications, and lay on some marking of the forms. Badham can be got on the telephone at Princes Gate.

Yours



George HURST.

145B.

Came under some suspicion in May 1941 because of an indiscreet letter to the Dublin branch of Crosse and Blackwell in connection with an enquiry for articles of Food Stuff. He was a buyer at the time for British Manufacture and Research Company, Grantham. (This firm was manufacturing Machine Guns for aircraft.) His letter gave unnecessary details to the effect that they were engaged on priority work for Fighter aircraft and the numbers and hours per week worked. Apart from this he has not come to our notice.

In passing it may be mentioned that the managing director of British Manufacture and Research Company, Grantham, was, at the time, W. Dennis KENDALL, later M.P. for Grantham, who was not security minded. KENDALL was subsequently concerned with the "People's Car" factory at Grantham, which you will recall was the subject of certain publicity in the press in mid-1947, when the Maharajah of Nawangar was stated to be interested in the concern. There are indications that Dennis KENDALL M.P. might be engaged in some project in the autumn of 1947 to run gold bars to India and/or in early 1948, arms dealing. These indications came from delicate sources.

We do not know how closely George HURST was associated with KENDALL when the former was at Grantham or whether any association between the two has been continued.

H.  
C.1.a.  
7.6.48.

C.R. Major  
C.R. Major.

J.R.  
2.7.48.



## CROSS REFERENCE.

SUBJECT:- W.D. KENDALLD.3. Note re visit to British Manufacture & Re  
by Mr. Mackay. dated 17.5.39 Gran

This Firm is generally alluded to briefly as "Marco" but as far as identity goes it may correctly be considered as "Hispano-Suiza (England) Ltd.", for though actually neither the production of automobiles nor of aero engines is as yet projected ( - the work now being entirely confined to the 20 mm. Hispano gun and ammunition - ) the financial and personal control are virtually the same as in the case of the continental companies.

I interviewed Mr. Kendall, the Managing Director and Mr. Dawrant, the Secretary. The latter is acquiescent and diffident, the former is voluble and self-assured. Mr. Kendall proceeded to tell me a story which has since proved largely to be balderdash, but such I soon suspected at the time for I found it impossible to reconcile the exceptional secrecy of the work according to Mr. Kendall's tale with an almost complete lack of security precautions. Mr. Kendall told me that the Hispano-Suiza cannon was new in design, and that 40 or so men engaged on its assembly were, therefore, in possession of a national secret. The importance of Hispano-Suiza cannon was due, he said, to facts of its effective range, of the fragmentation of its shells. With the high speeds at which modern aircraft fly, the ordinary machine gun had not an effective range much above 50 yards, but the Hispano-Suiza gun was effective up to 400 yards. The German 15 millimetre gun had a yard effectiveness, and therefore, the Hispano cannon was very appreciably superior to the German in aerial combat. When I discovered that no steps were being taken to guard the "secret" work of assembly, that the fencing was inadequate, that the transformer house was left open (from Mid Lincs Electricity Supply Co.) and so forth it

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S. Form 81.



that Mr. Kendall's comments would need confirmation by experts.

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Mr. Kendall is of Yorkshire (Halifax) origin. His last 25 years have been spent out of England - in America, France and Morocco. He left America to reorganise the Citroen motor works and he was taken from there as a hustler in mass production to fill his present appointment.

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Original in P.F. 406,980

CONFIDENTIAL

1450  
Government Communications  
Bureau,

54, Broadway, S.W.1.

20th May, 1948.

Dear Furnival-Jones,

I should be very grateful if you could let me  
know if you have any special information on the

Anglo-Hungarian Trading Co. Ltd.,  
22, St. Giles High Street,  
W.C.2.

Mr. John HARE, the Labour M.P., has considerable  
interest in the firm.

In your opinion would it be advisable for me to  
approach this company for my special CPR purposes?

Yours sincerely,

Lt.Col. Furnival-Jones,

M.I.5.

✓  
C2 H2  
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